# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

**LS 6613 NOTE PREPARED:** Mar 27, 2003

BILL NUMBER: SB 251 BILL AMENDED:

**SUBJECT:** Special Death Benefits for Purdue Firefighters.

FIRST AUTHOR: Sen. Alting

BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Rep. Klinker

FUNDS AFFECTED: GENERAL IMPACT: State & Local

**X** DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a firefighter employed by the fire department of a state university is eligible for a special death benefit.

Effective Date: July 1, 2003.

Explanation of State Expenditures: Adding a new group of potential recipient beneficiaries of the Special Death Benefit Fund may reduce the number of years in which the Special Death Benefit Fund is available for distribution. Currently, there are approximately 9,010 covered recipients of the Special Death Benefit Fund. Purdue's fire department would add another 28 individuals, or 0.31%. The average number of deaths for which benefits are paid is 3.8 per year.

*Background Information:* Purdue University is the only state university with its own fire department. Currently, Purdue has 28 firefighters on staff. Purdue has had its own fire department since 1960. They have experienced no line-of-duty firefighter deaths. Notre Dame is the only other university in the state with its own fire department.

Special Death Benefit Fund: IC 5-10-10-4 established the Special Death Benefit Fund. This fund was initially supported with a \$5 bail bond fee. This fee expired December 31, 1998. As of June 30, 2002, the balance in the Special Death Benefit Fund amounted to \$2,309,000. The payment for each line-of-duty death is \$150,000. The following table shows the annual payout from the fund and the number of deaths each year since FY 1998.

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#### Special Death Benefit Fund Under IC 5-10-10-4.

Fiscal Year Ending	Amount Paid	Number of Line- of-Duty Deaths
6/30/02	\$750,000	5
6/30/01	\$450,000	3
630/00	\$900,000	6
6/30/99	\$300,000	2
6/30/98	\$450,000	<u>3</u>
TOTAL	\$2,850,000	19
Average/Year	\$570,000	3.8

## **Explanation of State Revenues:**

## **Explanation of Local Expenditures:**

## **Explanation of Local Revenues:**

<u>State Agencies Affected:</u> Public Employees' Retirement Fund as administrators of the Special Death Benefit Fund.

## **Local Agencies Affected:**

<u>Information Sources:</u> Doug Mills, Controller of the Public Employees' Retirement Fund, 234-2075; data from various entities affected.

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